



Federal Communications Commission
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. Ramon D. Ardizzone
President, Glenayre Technologies, Inc.
5935 Carnegie Boulevard
Charlotte, North Carolina 28209

DOCKET FILE COPY ORIGINAL

Dear Mr. Ardizzone:

Thank you for your letter of March 7, 1996, which was forwarded to us from the office of Vice President Al Gore, regarding the Commission's decision to freeze acceptance of paging applications. You express concern that the suspension of processing of paging applications will adversely affect small businesses that provide paging services.

The Commission is currently conducting a rulemaking proceeding that proposes to transition from licensing paging frequencies on a transmitter-by-transmitter basis to a geographic licensing approach, using auctions to award licenses where there are mutually exclusive applications. In conjunction with that proceeding, the Commission initially froze processing of applications for paging frequencies. On April 23, 1996, the Commission released a First Report and Order in WT Docket 96-18 and PP Docket 93-253, which adopted interim measures governing the licensing of paging systems and partially lifted the interim freeze for incumbent paging licensees. For your convenience and information, enclosed is a copy of the Press Release concerning the First Report and Order, which includes a summary of the principal decisions made. Specifically, small and medium sized incumbent paging companies will be permitted to expand their service areas if the proposed new site is within 65 kilometers (40 miles) of an authorized and operating site. These interim rules will remain in effect until the Commission adopts final rules in the paging proceeding.

Thank you for your inquiry.

Sincerely,

David L. Furth
Chief, Commercial Wireless Division
Wireless Telecommunications Bureau

Enclosure

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Federal Communications Commission

1919 - M Street, N.W.

Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

Report No. DC 96-33

ACTION IN DOCKET CASE

April 24, 1996

FCC RELEASES INTERIM ORDER PARTIALLY LIFTING THE PAGING FREEZE FOR INCUMBENT LICENSEES (WT Docket No. 96-18, PP Docket No. 93-253)

The Federal Communications Commission released a *First Report and Order*, (*Order*) on April 23, 1996, which adopts interim measures governing the licensing of paging systems, effective upon publication of the *Order* in the Federal Register. This item will allow small and medium-sized paging companies to incrementally expand to serve their customers, upgrade their equipment to spectrum efficient technology, and compete with nationwide paging companies during the pendency of this rulemaking proceeding.

In the *Notice of Proposed Rulemaking*, adopted on February 8, 1996, the Commission suspended acceptance of new applications for paging channels. This freeze applied to all paging channels except the CCP nationwide channels and the exclusive PCP channels on which the licensees had earned nationwide exclusivity.

The *Order* partially lifts the interim freeze for incumbent paging licensees; clarifies that the formulas proposed in the *Notice of Proposed Rulemaking* are proposed for the final rules, and are not mandated for the interim period; (3) clarifies the internal minor modifications allowed during the interim period; and (4) provides that certain services are not subject to these interim measures. The *Order* states that the interim freeze is necessary to combat fraudulent paging application schemes, but that due to the highly competitive nature of the paging industry paging operators need some flexibility to modify and expand their systems.

- The Commission is lifting the paging application freeze for incumbent paging licensees, and will resume accepting applications for additional CCP and PCP transmission sites if (1) the applicant is an incumbent paging licensee, and (2) the applicant certifies that the proposed transmission site is within 65 kilometers (40 miles) of an authorized and operating transmission site which was licensed to the same applicant on the same channel on February 8, 1996. During this interim period all applications for exclusive 929 MHz channels and all CCP channels will be put on Public Notice.



OFFICE OF THE VICE PRESIDENT
WASHINGTON

*PRB
PR-Paging*

2650

M E M O R A N D U M

DATE: May 20, 1996

TO: Managing Director
Federal Communications Commission
1919 M Street, N.W.
Washington D.C. 20554

Enclosed are letters from constituents concerning matters related to the Federal Communications Commission. This information was sent to the office of Vice President Gore.

On behalf of the Vice President, I am forwarding this material with the request that the issues be addressed in an appropriate and expeditious manner. An acknowledgement of receipt and a notification of this referral has been sent to each of the constituents.

Please respond directly to the correspondents. No reply to this office is necessary.

Thank you in advance for your attention to these matters.

Sincerely,

Bill Mason
Director of Correspondence
for the Vice President

BM/wem
Enclosures

FCC-c

OFFICE OF THE PRESIDENT:

5935 Carnegie Boulevard
Charlotte, NC 28209 U.S.A.
Telephone: (704) 553-0038
Fax: (704) 553-7878

Glenayre

R.D. Ardizzone
President

March 7, 1996

Via Fax and Overnight Express

The Vice President of the United States
Office of the Vice President
Old Executive Office Building
Washington, DC 20501

Dear Mr. Vice President:

I am president and CEO of Glenayre Technologies, Inc., the leading manufacturer of paging system infrastructure equipment in the United States.

I have enclosed a copy of correspondence (and attachments) that we sent Tuesday, via overnight express, to President Clinton and to the Federal Communications Commission chairman, R. Hundt, regarding an FCC freeze, imposed February 9th this year, on 900 MHz paging frequencies. Within thirty days, it has already had a devastating effect on our company and has the potential of crippling much of the U.S. paging wireless industry. As I expected, I did not receive replies from anyone as yet.

I am now appealing to you in the hope that you will speak with your Boss regarding this issue, as I know that you are an avid supporter of all aspects of the Information Highway. I understand that you also support the "Life Page" program. In fact, I remember your 1994 presentation at the Personal Communications Industry Association (PCIA) convention, in which you pledged your support of "Life Page."

It would be a tragedy if one of our fellow citizens failed to receive the page advising them of the availability of a lifesaving organ! This is just one of the many potential negative effects of the current FCC freeze.

I respectfully request your attention to this issue and implore you to discuss the matter with President Clinton at your earliest opportunity. If possible, I welcome the opportunity to meet with you to provide additional information and to discuss the issue further.

Respectfully yours,


Ramon D. Ardizzone

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Glenayre

News Release

CONTACT: Stan Ciepielinski, CFO
704/553-0038
704/553-7878 Fax

**GLENAYRE TECHNOLOGIES ANNOUNCES NEGATIVE IMPACT
ON FIRST QUARTER 1996 NET SALES RESULTING FROM FCC ACTION**

Charlotte, North Carolina, March 5, 1996 -- Glenayre Technologies, Inc. (Nasdaq:GEMS) announced today that the recent Federal Communications Commission ("FCC") Notice of Proposed Rule Making ("NPRM"), which included a freeze on the acceptance of new applications for 900 MHz paging system licenses, will negatively impact the Company's 1996 first quarter net sales.

The Company indicated that the FCC action may result in a \$10 million to \$12 million reduction in net sales from analyst consensus estimates for the first quarter of 1996. The Company stated that the overall impact of the FCC action on 1996 annual net sales cannot presently be determined due to the uncertainty of final regulatory changes, including the duration of the licensing freeze.

The FCC accepted comments on the NPRM on March 1, 1996, with replies due by March 11, 1996. Final revisions to current regulations, if any, will be determined by the FCC sometime after the NPRM's final comment date of March 18, 1996.

Ramon Ardizzone, President and CEO, stated, "We are working independently and with the Personal Communications Industry Association (PCIA) and its members in their request to the FCC to immediately rescind the licensing freeze and to provide other clarifications of the FCC's actions taken on the 900 MHz paging channels, to prevent additional negative impact to the paging industry."

Glenayre Technologies is a worldwide provider of telecommunications equipment and related software used by leading wireless personal communications service providers. The Company specializes in paging, cellular, voice processing, mobile data and point-to-point wireless interconnection products and systems. The Company is included in the Nasdaq-100 Index®.

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